

GOVERNMENTAL OPERATIONS

Agency 117

Washington State Gambling Commission

Recommendation Summary

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
2003-05 Expenditure Authority	178.0		27,256	27,256
Total Maintenance Level	166.9		28,898	28,898
Difference	(11.1)		1,642	1,642
Percent Change from Current Biennium	(6.2)%		6.0%	6.0%
Performance Changes				
Middle Management Reduction	(1.4)		(156)	(156)
General Inflation			(91)	(91)
Gambling Information Management System			500	500
Subtotal	(1.4)		253	253
Total Proposed Budget	165.5		29,151	29,151
Difference	(12.5)		1,895	1,895
Percent Change from Current Biennium	(7.0)%		7.0%	7.0%
Total Proposed Budget by Activity				
Gambling Licensing, Background and Financial Investigations	38.1		6,494	6,494
General Enforcement and Criminal Intelligence Investigation	89.1		15,640	15,640
Tribal-State Compact Negotiation, Regulation Program, and Investigations	39.8		7,173	7,173
Middle Management Reduction	(1.4)		(156)	(156)
Total Proposed Budget	165.5		29,151	29,151

PERFORMANCE LEVEL CHANGE DESCRIPTIONS

Middle Management Reduction

The Governor has directed that middle management be reduced by 1,000 positions by the end of the biennium. This item is this agency's share of the statewide amount.

Gambling Information Management System

The agency needs to develop a gambling information management system to replace its current licensing system. The new system will also integrate other stand-alone databases, developed in recent years, into a comprehensive system with a web-based interface. (Gambling Revolving Account-Nonappropriated)

ACTIVITY DESCRIPTIONS**Gambling Licensing, Background and Financial Investigations**

The Washington State Gambling Commission is statutorily charged to enforce the provisions of the Gambling Act of 1973 and all laws related to gambling. The commission carries out this responsibility through a system of regulation and enforcement consisting of several interrelated activities. The commission requires that individuals and businesses apply for and obtain a license before engaging in gambling activity. The application and approval process includes an extensive investigation of fund sources and criminal records to prevent criminal interests from gaining a foothold in Washington gambling businesses and to protect the public from being victimized through cheating or embezzlement. The licensing process is required by statute to generate the funds necessary to cover all costs of licensing and enforcement. (Gambling Revolving Account-Nonappropriated)

General Enforcement and Criminal Intelligence Investigation

The commission uses a combination of undercover and overt investigations to identify and seek prosecution of illegal gambling activities, cheating, theft, and racketeering. The commission also uses administrative rules and regulatory enforcement to ensure gambling is legal and honest, and protects the internal controls and records necessary to support the \$44.3 million collected by local governments annually in local taxes. (Gambling Revolving Account-Nonappropriated)

Tribal-State Compact Negotiation, Regulation Program, and Investigations

Federal law requires the state to negotiate in good faith with Indian tribes to provide these sovereign nations the opportunity to engage in casino-type gambling activities that are allowed in some form in the state of Washington. The tribes are only allowed to engage in these activities through a compact with the state that is negotiated and regulated by the commission. (Gambling Revolving Account-Nonappropriated)

Middle Management Reduction

The Governor has directed that middle management be reduced by 1,000 positions by the end of the biennium. This item is this agency's share of the statewide amount. These savings will be assigned to the appropriate activities after the budget is enacted.